

SENATE BILL REPORT

SB 5261

As Reported By Senate Committee On:
Ways & Means, February 24, 2005

Title: An act relating to interruptive military service credit within the public employees' retirement system, the school employees' retirement system, the teachers' retirement system, the law enforcement officers' and fire fighters' retirement system plan 2, the Washington state patrol retirement system, and the public safety employees' retirement system.

Brief Description: Authorizing interruptive military service credit.

Sponsors: Senators Fraser, Parlette, Regala, Schmidt, Rasmussen, Shin and Kohl-Welles; by request of Select Committee on Pension Policy.

Brief History:

Committee Activity: Ways & Means: 2/16/05, 2/24/05 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Doumit, Vice Chair; Fraser, Vice Chair; Brandland, Fairley, Kohl-Welles, Parlette, Pridemore, Rasmussen, Regala, Rockefeller, Schoesler and Thibaudeau.

Staff: Erik Sund (786-7454)

Background: A member of the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), the School Employees' Retirement System (SERS), the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF 2), or the Washington State Patrol Retirement System (WSPRS) who leaves employment in order to enter service with the armed forces of the United States may receive up to five years of service credit in their retirement system. When members are admitted to the new Public Safety Employees' Retirement System after June 30, 2006, the members will be eligible for the same credit for military service.

In order to qualify for this service, members must return to retirement system eligible employment after the end of his or her service in the armed forces. After being reemployed, the member is responsible for making up for the retirement system contributions that he or she would have made if he or she did not leave employment to serve in the armed forces. The member must complete these payments within five years of returning to eligible employment.

There are currently no provisions for members to purchase service credit if they are unable to return to eligible employment.

Summary of Bill: A member of PERS, TRS, SERS, LEOFF 2, WSPRS, or PSERS who is sufficiently incapacitated in the course of military service as to be unable to resume retirement

system eligible employment may purchase service credit for the period of military service, provided that he or she can provide proof of honorable discharge.

Upon provision of proof of a member's honorable service and death while serving in the armed forces, a surviving spouse or child of the member of one of the above plans may purchase service credit on behalf of the member for the period of military service up until his or her date of death.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Testimony For: This is a good bill.

Testimony Against: None.

Who Testified: PRO: Shawn Merchant, Law Enforcement Officers' & Fire Fighters' Retirement System Plan 2 Board.